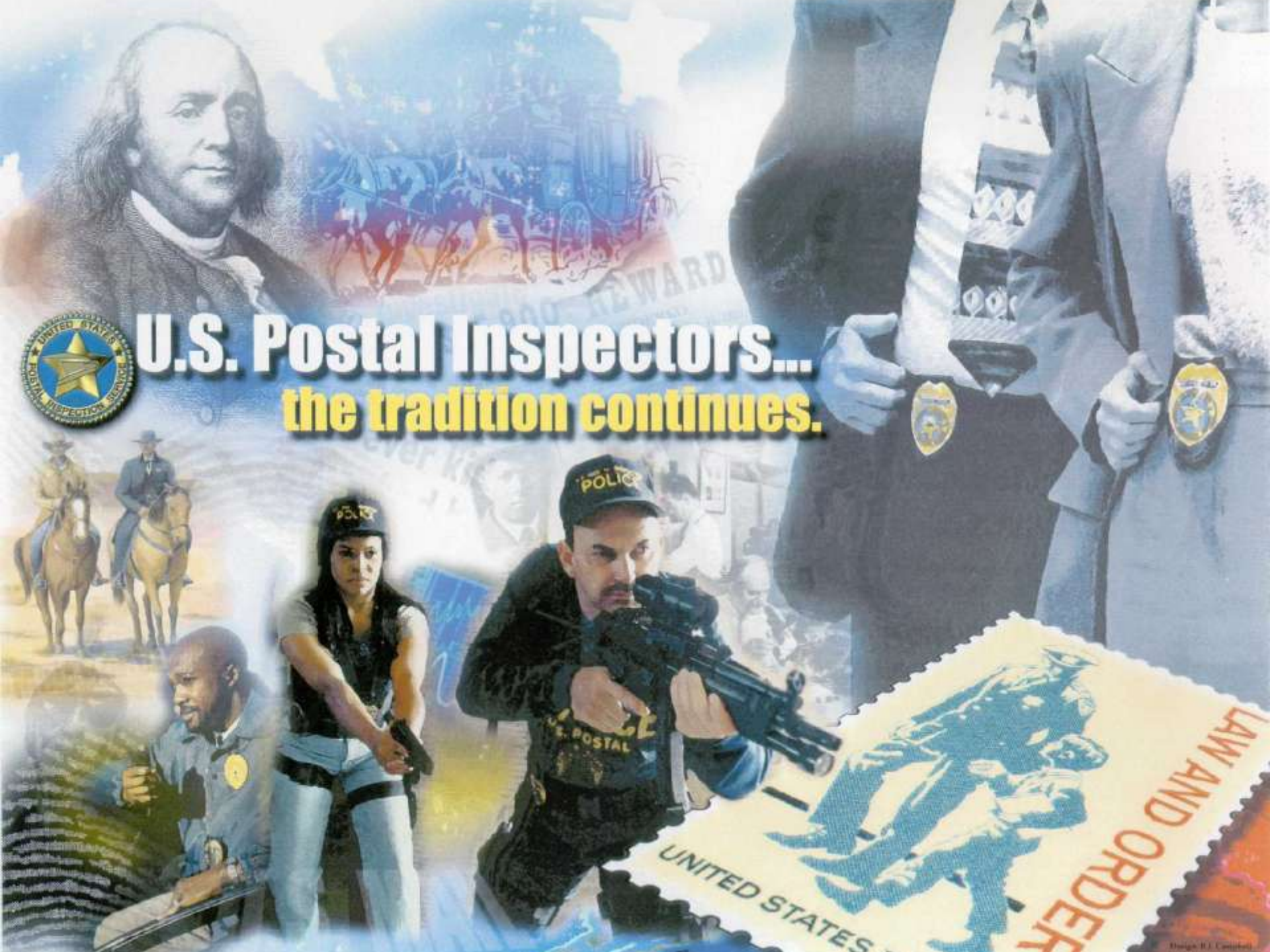




U.S. Postal Inspectors... the tradition continues.



Roberta Bottoms
U.S. Postal Inspector

John Conley
Oil & Gas Operator

Chad Harlan
Financial Examiner, D.F.I.

Mail Fraud

Title 18, United States Code 1341



What is Mail Fraud?

Three Elements of Mail Fraud Statute

- A plan or scheme
- Intent to defraud, cheat, deprive
- Use of the mail (USPS, UPS, FedEx, etc)

Common Mail Fraud Scheme

- Identity Theft
- 419 Nigerian Fraud Schemes
- Counterfeit Money Orders & Checks
- Charitable Contribution Fraud
- Telemarketing & Investment Frauds
- Secret Shoppers
- Work at Home Schemes
- Internet Auction Fraud
- Mortgage Fraud

To File a Mail Fraud Complaint

Call 877-876-2455 (usmail5)

By Internet:

[*postalinspectors.uspis.gov/*](http://postalinspectors.uspis.gov/)

click Investigations

click Mail Fraud

click File a Complaint.

Growing Fraud Trend “Oil and Gas Investment Fraud”

High Energy Costs Increase Opportunity

Boiler Rooms Usually Used to Raise \$

High Pressure Sales, Must Act Now

Under State Risk, Over Estimate Returns

Guest Speaker

John Conley
Former Owner & Operator

Sterling Energy Corp
Hall & Maher LLC

Lexington, KY

Two Time Convicted Felon

Served two federal prison terms
for running fraudulent oil and gas
investment companies in
Lexington, KY and Ohio.

Cooperating with government.

John Conley



How Did You Get Started?

- Bible Salesman
- Evangelist
- Oil & Gas Operator
- Religion Used in Oil & Gas Sales?
- Other sales tactics

What tricks did you use to make sale?

- Humor
- Embarrassment
- Fear of Missing Out (Act Now, Last One)
- High Pressure (Many Just Can't Say No)
- Overstate Payoff – Anticipate Returns
- Risks – Don't talk about -minimize
- Becomes Your Best Friend
- Cure For Loneliness

Telemarketing Sales

- Can I get a better deal?
- Salesman's Goal (Don't Hang Up)
- Dumbing Down to Make the Sale
- 100's of Calls Made
- College Students – no experience
- Thrill is the Sale (addictive)
- Drugs/Alcohol Use

Regardless of the Scheme.

- A consumer's good judgment is the last line of defense against the con artist.
- Don't be afraid to ask questions.
- Don't be afraid to say No and Hang Up.
- Consumers should be skeptical of any offer that sounds “too good to be true.”
- Fraud almost always requires victim's willful participation.

How do I avoid being scammed?

The following questions can help consumers evaluate questionable offers:

- Does it sound too good?
- Do I have to give any personal or financial information?
- Am I a “guaranteed” winner or told “no risk is involved?”
- Am I pressured into responding right away?
- Has the co. failed to register the security?

If the answer is “**yes**” to any of these questions, you should be extremely wary.

Ask that all statements about the product or service be provided in writing.

Check out the offer with the consumer protection agencies located nearest the company.

Office of Financial Institutions, Better Business Bureau, Attorney General, U.S. Postal Inspections Service.

Other things you can do.

- Ask questions and ask to visit the company.
- Listen for excuses (red flags).
- Don't make quick decisions, do research.
- Consider Recording your telephone calls.
- Retain records, envelopes, mailing receipts.
- Save emails, faxes & correspondences.
- Ask for explanations in writing.
- Require documents be signed & dated.

